**RECOMMENDATION 1:****REINFORCE EFFORTS TOWARD ENTRY INTO FORCE OF THE PRELIMINARY DRAFT ORGANIC DRUG LAW****PUBLICATION DATE: JANUARY 2003**

Ecuador reports that a preliminary bill to make major amendments to the Organic Law on Drugs has been drafted with input from various sectors and with assistance from the United Nations and CICAD. The country anticipates introducing this law in Congress in the second quarter of 2004, after which it will follow the normal legislative process before it comes into force.

CICAD notes the steps now being taken by Ecuador and encourages it to continue in its efforts to fully comply with this recommendation.

RECOMMENDATION 2:**MAKE THE NECESSARY EFFORTS TO ENSURE AN APPROPRIATE BUDGET TO SUPPORT THE NATIONAL ANTI-DRUG PLAN****PUBLICATION DATE: JANUARY 2003**

Ecuador advises that the President of the Republic issued Presidential Decree 1180, on December 24, 2003, which recognizes drug prevention and control as state policy, and establishes it as an ongoing thematic area for the Ecuadorian State. The decree provides among other things for pertinent budgetary allocation to implement the drug control provisions of the National Anti-Drug Plan 2004–2008, which the Executive Secretariat of the National Council for the Control of Narcotics and Psychotropic Substances (CONSEP) was in the process of preparing for presentation.

CICAD expresses its satisfaction for the fulfillment of this recommendation.

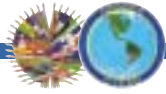
RECOMMENDATION 3:**EXPAND NATIONAL STUDIES TO ESTIMATE PREVALENCE AND TRENDS OF DRUG CONSUMPTION IN THE GENERAL POPULATION OF THE COUNTRY AND IN PARTICULAR THE SCHOOL POPULATION****PUBLICATION DATE: JANUARY 2003**

Ecuador reports that it is in the process of implementing this recommendation. To this end it has strengthened its Drug Observatory and has prepared two projects for which it has requested international funding. These projects are a National Household Survey on drug use and a National Student Survey.

CICAD has noted the steps being taken by the country and encourages Ecuador to make every effort to comply with this recommendation.

RECOMMENDATION 4:**CONTINUE TAKING STEPS TO CARRY OUT STUDIES TO MEASURE THE IMPACT AND EFFECTIVENESS OF THE PREVENTION PROGRAMS THAT THE COUNTRY CARRIES OUT****PUBLICATION DATE: JANUARY 2003**

Ecuador reports that it is in the process of implementing this recommendation and that its new National Anti-Drug Plan 2004-2008, is to be presented to the President of the Republic for



approval. The plan includes a system to evaluate programs and/or projects now being executed in the different areas.

The country further reports that evaluation to measure the impact of prevention programs in the country will begin with the education system, as different institutions are now executing projects in this area. It further indicates that in approximately the third quarter of 2004, evaluation is expected to begin of two psychoactive substance prevention programs for which results will be available by the third quarter of 2005.

For other areas, such as community and workplace, the country anticipates that an impact evaluation will be conducted in the third quarter of 2005.

CICAD notes the steps being taken by Ecuador and encourages the country to continue in its efforts to fully comply with this recommendation in the date indicated by the country.

RECOMMENDATION 5:

DEVELOP A SYSTEM WHICH WILL ENABLE TO DETERMINE THE EXTENSION AREA OF ILLICIT CROPS AND MONITOR THE APPEARANCE OF NEW CROPS

PUBLICATION DATE: JANUARY 2003

Ecuador reports that it has initiated efforts to comply with this recommendation. It states that its National Police, through the Anti-Narcotics Office, has been carrying out intelligence tasks with a view to locating, for subsequent eradication, crops in the northern border area.

However, it lists a number of areas in which assistance is absolutely essential, in order to implement this type of recommendation of national interest. It further advises that procedures to obtain international support continue.

CICAD encourages Ecuador to make every effort to comply with this recommendation.

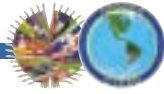
RECOMMENDATION 6:

STRENGTHEN MECHANISMS TO IMPROVE COORDINATION AMONG DIFFERENT SECTORS INVOLVED IN THE DRUG PROBLEM

PUBLICATION DATE: JANUARY 2003

Ecuador reports that, with the preparation of the National Plan 2004-2008, a process of institutional rapprochement has begun through direct action and contact with authorities, to define a higher level of collaboration and participation, and therefore, interagency coordination. The country hopes that, in applying the Plan, this process will enable the anticipated results to be obtained.

CICAD recognizes progress and encourages Ecuador to fully comply with this recommendation.

**RECOMMENDATION 7:**

REITERATE THE RECOMMENDATION FROM THE FIRST EVALUATION ROUND 1999 – 2000 TO STRENGTHEN APPLICATION OF THE PRE-NOTIFICATION MECHANISM FOR COMMERCIAL TRANSACTIONS OF CHEMICAL SUBSTANCES, IN FULFILLMENT OF THE UNITED NATIONS CONVENTION AGAINST TRAFFIC IN NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES, VIENNA, 1988

PUBLICATION DATE: JANUARY 2001

REITERATION DATE: JANUARY 2003

Ecuador reports that it complies with all provisions of the Convention pertaining to pre-export and pre-import notifications.

The country states that since the last quarter of 2003, it has complied with Article 12 of the Convention by giving prior notification of exportation of the only controlled substance registered and that it has contacted the International Narcotics Control Board (INCB) with regard to those countries that fail to make notification of chemical substances transactions.

CICAD expresses its satisfaction with the fulfillment of the recommendation.

RECOMMENDATION 8:

REINFORCE THE UNITED NATIONS QUOTA CONTROL SYSTEM TO PREVENT THE DIVERSION OF CONTROLLED PHARMACEUTICAL PRODUCTS

PUBLICATION DATE: JANUARY 2003

Ecuador reports that it is in the process of implementing this recommendation and highlights as positive the implementation of the International Narcotics Control Board (INCB) recommendations, greater oversight of distributors of medicines and stricter law enforcement. The country reports that it is developing a national level oversight system for pharmaceuticals during 2004 and that it will be implemented after appropriate legal reforms.

The country indicates that smuggling of controlled medicines is a problem and requests technical, financial, equipment and training assistance, to help them in fulfilling the recommendation.

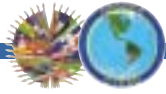
CICAD notes the steps taken by Ecuador and encourages the country to fully comply with this recommendation.

RECOMMENDATION 9:

IMPLEMENT AND CONTINUE EFFORTS TO REINFORCE ZONE AUTHORITIES IN THE NORTHEASTERN PART OF THE COUNTRY, ASSIGNING HIGHER PRIORITY TO ACTIONS BEING TAKEN IN THE REGION TO PREVENT THE CONSEQUENCES OF THE PHENOMENON OF DISPLACEMENT

PUBLICATION DATE: JANUARY 2003

Ecuador reports that it has started to implement this recommendation as entities created specifically for this purpose, such as the Northern Development Unit (UDENOR), have provided assistance to the northeastern area of the country. The National Council for the Control of Narcotics and Psychotropic Substances (CONSEP) and entities involved in addressing problems of migration, violence, diversion, trafficking and involvement in illicit activities of the Ecuadorian workers, have



worked through that entity.

The country indicates that Presidential Decree No. 1180, which promotes institutional strengthening and its budgetary support, will make it possible to address the particular problems of the northern part of the country, provided that the transfer of funds to CONSEP takes place.

CICAD takes note of the steps taken by Ecuador and encourages the country to fully comply with this recommendation.

RECOMMENDATION 10:

EXTEND THE CRIMINALIZATION OF MONEY LAUNDERING TO INCLUDE AS PREDICATE OFFENSES OTHER SERIOUS CRIMES APART FROM ILLICIT DRUG TRAFFICKING AND THE OBLIGATION TO REPORT SUSPICIOUS OR UNUSUAL TRANSACTIONS

PUBLICATION DATE: JANUARY 2003

Ecuador reports that the Strategic Plan to create the Financial Intelligence Unit (FIU) has been formulated under the direction of the Attorney General and a special team, and it has been passed to OAS/CICAD. It intends to introduce the bill in Congress and expects the process to be completed by the end of 2004.

The bill provides for definition of money laundering as an autonomous offense and includes as predicate offenses: illicit enrichment, destruction, alteration or concealment of evidence, evasion or flight, intimidation or injury to authorities or officials, false incrimination, intimidation or extortion of individuals, fraudulent failure to comply with obligations, obstruction of justice and/or breach of confidentiality.

CICAD notes the steps taken by Ecuador so far and encourages the country to continue in its efforts to fully comply with this recommendation in the date indicated by the country.

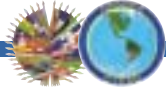
CONCLUSIONS

During the Second Evaluation Round 2001 – 2002, Ecuador was reiterated one recommendation from the First Evaluation Round 1999 – 2000 and was issued nine recommendations, for a total of 10 recommendations. Of these recommendations issued to the country, it has complied with two. It strengthened the application of the pre-notification mechanism for commercial transactions of chemical substances, in accordance with the recommendation from the First Evaluation Round and it made efforts to ensure an appropriate budget to support the National Anti-Drug Plan 2004 – 2008, by issuing Executive Decree 1180. This decree establishes, among others, the pertinent budgetary allocation for the implementation of the referred National Plan.

Ecuador indicates that it anticipates the approval of the National Anti-Drug Plan 2004 – 2008 and important amendments to its Organic Law on Drugs in the year 2004.

Regarding other recommendations, that the country has not fully addressed, it reports that it is taking steps towards their fulfillment. In this way, it has prepared two projects to estimate prevalence and trends of drug consumption and measure the effectiveness of its prevention programs. In addition, it indicates carrying out intelligence actions to measure and monitor the extension of illicit crops. However, the country states that for their implementation, these initiatives require financial and international support. This cooperation is still in the process of being obtained.

Ecuador states that it has started a process of institutional rapprochement that will enable it to



implement the recommendation on improving coordination among different sectors involved in the drug problem. However, in relation to the rest of the recommendations, there is no evidence of significant progress. The country needs to complete the development of a control system to prevent the diversion of controlled pharmaceutical products, intensify its efforts to address the problem of displacement in the northeastern part of the country and take the necessary steps to extend the criminalization of money laundering as recommended.

CICAD takes note of the steps taken by Ecuador, recognizes the progress made and encourages it to increase its efforts to fully comply with all of the recommendations.

